

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR
MEETING OF THE BOARD OF DIRECTORS OF
THE FOREST VIEW ACRES WATER DISTRICT
AND THE BOARD OF DIRECTORS OF THE
WATER ACTIVITY ENTERPRISE
HELD
MAY 27, 2010**

A regular meeting of the Board of Directors of the Forest View Acres Water District and the Board of Directors of the Water Activity Enterprise (referred to hereafter as "Board") was held on Thursday, May 27, 2010, at 6:00 p.m., at the Monument Sanitation District, 130 2nd Street, Monument, Colorado. This meeting was open to the public.

ATTENDANCE

In attendance were Directors:

Eugene Ashe
Anne Bevis
Steven Keefer
Eckehart Zimmermann
Karla Allen

Also in attendance were:

Joel Meggers; Community Resource Services ("CRS")
Rick Goncalves; RG Engineers, Inc.
Erik Tamer; Southwest Water Company
David Thompson; Resident

ADMINISTRATIVE
MATTERS

Director Bevis called the meeting to order at 6:05p.m. Mr. Meggers distributed for the Board's approval the proposed agenda. Following discussion, upon motion duly made by Director Zimmermann and seconded by Director Keefer, vote was taken and the agenda was approved unanimously.

MINUTES The Board reviewed the minutes of the April 22, 2010 regular board meeting. Director Zimmermann moved the minutes be approved as amended. Upon a second by Director Keefer, vote was taken and motion carried unanimously.

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ELECTION ITEMS

Administer Oaths of Office – Ms. Allen was administered her Oath of Office prior to today's meeting. The Oath has been filed with the District Court and the Division of Local Affairs in accordance with statute.

Election of Officers – Director Zimmermann nominated Director Bevis as President and Director Ashe as Treasurer. There were no other nominations. Director Keefer seconded the nominations, and upon vote, the nominations carried unanimously.

LEGAL ITEMS

Wilde Property Update – Director Bevis presented the update, motion was made by Director Ashe to reject the settlement offer. Upon second by Director Zimmermann, vote was taken and motion carried unanimously.

1985 Agreement and the 2004 Amendment – Director's Bevis and Zimmerman discussed talking points and requested that they be integrated into the draft amendment so negotiations could be pursued.

OPERATIONS

Operations Report - Mr. Tamer presented the April/May operations report for the Board's review, a copy of which is attached to these minutes and incorporated herein.

Update on SWTP Improvements by RG Engineers and Southwest Water Company. - Mr. Goncalves discussed the benefits of a SCADA system and providing cost estimates of a system involving automated controls with a central control center. The Board commented that they are interested in pursuing the evaluation of a comprehensive automated control system operated by SCADA.

Mr. Goncalves then reported on the improvements to the SWTP to address the varying pressure issues and enhance the reliability of plant operations. In summary he presented that he is pursuing two additional pumps, PRV, sand filter, and new valves. Mr. Goncalves reported that in order to evaluate the sizing of the sand filter a sample needs to be taken. The design of all these items will have to be submitted to CDPHE for approval. The Board asked that this be moved up the priority list.

Consumer Confidence Report - Mr. Meggers presented the draft Consumer Confidence Report to the Board. He stated that comments needed to be in by next week as the final report would be included in with the June utility billing to the residents.

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Monthly Production Report and ATP Well Depth – Mr. Tamer presented the report to the Board.

Update of Field Inspection of Potential Unauthorized Taps – This item was deferred.

DIRECTOR'S ITEMS

Mount Herman Natural Gas Drilling – Director Bevis reported that there have been no new developments in the status of the project.

CAPITAL ITEMS

Design and Implementation of Infrastructure Repairs and Upgrades
Mr. Goncalves reported that he is still waiting on environmental clearances for the Transmission line project. He also reported that the design for the Booster Pump Station modification is complete. Southwest Water Company will coordinate with AmWest, Inc. to perform improvements.

OTHER BUSINESS

Potential Options for Cell Phone Service Site Leases – Mr. Meggers presented to the Board a client that CRS has that leases cell phone service sites. The board directed him to pursue leasing opportunities for the district with these various cell phone service providers. He reported that he will contact the service companies and report back his finding.

Document Management – Director Allen was assigned this project. Objectives of the project include security control and indexing of documents.

Discuss Structure of Next Month's Board Meeting – The Board requested that Mr. Meggers invite Richard Crocker to the next board meeting to participate in the work session regarding Capital Improvements Planning.

FINANCIAL MATTERS

Payment of Claims

Mr. Meggers requested that the Board consider payment of the claims represented by check numbers 2472 - 2498, totaling \$35,328.65. Check number 2497 to Richard Crocker will be voided because he was unable to attend and check number 2492 written to The Aqueous Solution, Inc., is to be placed on "hold" until the cost of the vacuum truck to remove the sand media from the filter can

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be researched. Director Ashe moved that the Board approve the payment of claims as amended.

Upon second by Director Zimmermann, vote was taken and motion carried unanimously.

Cash Position Statement

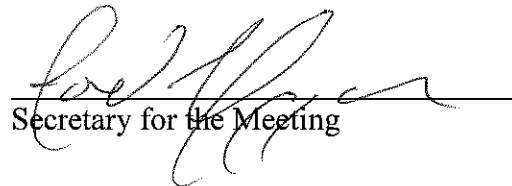
The Board reviewed the monthly cash position for the period ending April 30, 2010. The Board accepted the unaudited cash position statement as presented.

Capital Project Summary – Mr. Meggers presented the summary.

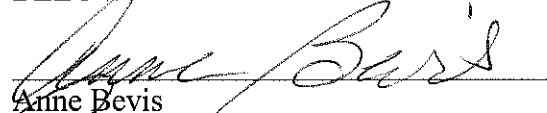
ADJOURNMENT

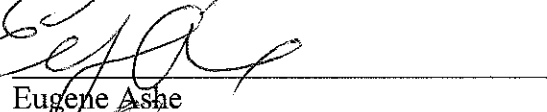
There being no further business to come before the Board, upon motion duly made by Director Ashe, seconded by Director Keefer, the meeting was adjourned at 8:55 p.m.

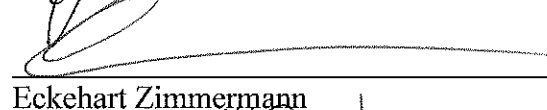
Respectfully submitted,


Secretary for the Meeting

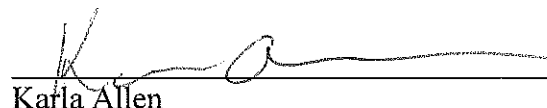
THESE MINUTES ARE APPROVED AS THE OFFICIAL MAY 27, 2010 MINUTES OF THE FOREST VIEW ACRES WATER DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:


Anne Bevis


Eugene Ashe


Eckehart Zimmermann


Steven Keefer


Karla Allen

Forest View Acres Water District

Operations Report – May, 2010

Prepared by Erik Tamer, Southwest Water Co.

Sampling:

- The required samples were collected for Routine Coliform, Disinfection Byproducts, Inorganics, Fluoride, Nitrate, and Nitrite. Received results are inside the yellow folder in the Arapahoe treatment plant.

Treatment Plants:

Arapahoe Water Plant:

- Has been operating normally.
- Well level readings have been taken and are on file. The spreadsheet has not been updated, however, results have been relatively consistent with the previous month.

Transmission Line/Booster Station:

- Normal Operation.

Surface Water Plant:

- Secondary filter #2 was serviced on May 4th. Two damaged laterals were found, which were causing premature break-through and media loss. Experimentation with the plant is on going, however, the intermittent shutdown issues have not been resolved. For this reason, at this time the plant is only being operated under supervision. At such time as I feel more comfortable with the plant, it will be operated unattended.
- Repairs to the raw water line were completed on May 11th. Service and pressure have been restored.

Distribution system:

- No breaks or leaks reported.

Miscellaneous:

- Replacement of the Surface Plant backflow device is complete. The device was not fitted with a drain funnel, which is needed. I am looking in to having the funnel installed.
- Specialty Resources Ltd. was contacted regarding the bill submitted for the quotations received. It was agreed that two service calls for \$95 each will be charged instead, with the agreement the district proceeds with the installation of moisture control as quoted.